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"To enrich lives through effective and caring service"

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June 26, 2014

To: Audit Committee

From: Jim Jones
Director

Subject: **REVIEW OF BOARD POLICY NO. 5.060
REPORTING OF IMPROPER SOLICITATIONS**

Based on the request of the Executive Office, the Internal Services Department, in conjunction with the Chief Executive Office and County Counsel have reviewed Board Policy 5.060 – Reporting of Improper Solicitations. At this time, we are recommending the following changes to the policy and have included the recommended changes in red-line version:

- Policy Section - Minor correction in the instruction requiring language to be included in all contracts.
- Date Issued/Sunset Date Section - Extend the sunset review date to September 15, 2018.

If you have any questions regarding this request, please contact Joe Sandoval at (323) 267-2901 or at jsandoval@isd.lacounty.gov.

JJ:JS:YY:gk

Attachment

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel



Los Angeles County **BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
5.060	Reporting Of Improper Solicitations	08/06/97

PURPOSE

Requires vendors to report solicitations of improper consideration by County employees in connection with Request for Proposals (RFP) or contracts.

REFERENCE

August 6, 1997 Board Order, [Synopsis 20](#)

August 6, 1997 Chief Administrative Office memo, "[Request for Proposal and Contract Language Requiring Reporting of Improper Solicitation](#)".

POLICY

All County solicitation documents shall include standard language requiring vendors to report solicitations of improper consideration made by County employees in connection with a Request for Proposal or contract.

Standard Language to be used in all future contract solicitation documents:

Gratuities

It is improper for any County officer, employee or agent to solicit consideration, in any form, from a proposer with the implication, suggestion or statement that the proposer's provision of the consideration may secure more favorable treatment for the proposer in the award of the contract or that the proposer's failure to provide such consideration may negatively affect the County's consideration of the proposer's submission. A proposer shall not offer or give, either directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the contract.

A proposer shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Fraud Hotline at (800) 544-6861 or www.lacountyfraud.org. Failure to report such a solicitation may result in the proposer's submission being eliminated from consideration. Among other items, such improper consideration may take the form of cash, discounts, service, the provision

of travel or entertainment, or tangible gifts.

Additionally, all contracts ~~such~~ shall include the following provision:

Termination for Improper Consideration

County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by the Contractor.

Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Fraud Hotline at (800) 544-6861 or www.lacountyfraud.org.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

RESPONSIBLE DEPARTMENT

Internal Services Department

Chief Executive Office

County Counsel

DATE ISSUED/SUNSET DATE

Issue Date: August 6, 1997

Review Date: October 18, 2001

Review Date: September 15, 2006

Review Date: July 8, 2010

Review Date: July 16, 2014

Sunset Review Date: August 6, 2001

Sunset Review Date: October 18, 2005

Sunset Review Date: September 15, 2010

Sunset Review Date: September 15, 2014

Sunset Review Date: September 15, 2018